

LEASE AGREEMENT

THIS LEASE, made and entered into by and between LINCOLN MEDICAL EDUCATION PARTNERSHIP, a Nebraska non-profit corporation, hereinafter referred to as "Owner" and the CITY OF LINCOLN on behalf of the Lincoln-Lancaster County Health Department for its WIC Program, hereinafter referred to as "Tenant".

WITNESSETH, that:

In consideration of the mutual covenants and provisions by each party to be performed, it is hereby agreed as follows:

I. PREMISES

Owner has leased unto Tenant the following described property, to-wit: 200 unfurnished square feet of space on Level Two in the building of the Owner located at 4600 Valley Road, Lincoln, Nebraska, together with the right, in common with others, to the use of all common entrance ways, lobbies, elevators, ramps, drives, stairs and similar access and service ways and the common areas in and adjacent to the building of which the premises are part. Owner shall provide for the use of the Tenant, it's employees, agents, licensees, or invitees the following:

- A. Use of parking in the parking lot adjacent to the building on the Owner's premises, and Owner hereby disclaims responsibility for any and all injuries or losses arising from the Tenant's occupancy or use of said parking stalls.
- B. Evening and weekend access to classroom space: office space, common areas such as hallway, lobbies, bathrooms, and eating areas; and the use of the main entrance doors (unlocked) on weekends. Tenant will have the right to place reasonable lobby and floor signs during the weekend to direct clients to the appropriate location. Owner may reserve the right to reject specific signs that are inconsistent with the building decor or would otherwise impede traffic.
- C. Weekend parking lot snow removal at owner's expense.
- D. Use of appropriate tables and chairs for classrooms.
- E. For additional compensation to Owner: Tenant will have access to classroom space located within the Owner's building located at 4600 Valley Road, Lincoln Nebraska, on evenings and weekends at a rate of \$7.50 per class hour per classroom utilized. Classrooms available to Tenant include the six classrooms (4A, 4B, 400, 401, 402, and 416) on the fourth floor of the building.
- F. Lincoln Medical Education Partnership agrees that these classrooms will be available to the tenant during the above times throughout the term of the Lease with the understanding that Owner has priority scheduling and usage of the classrooms and so long as Tenant provides Owner with at least 30 days notice of their classroom needs.

II. TERM

The premises is leased for a term of three (3) years, to commence upon the execution date of this lease. Tenant shall be given possession of the leased premises upon the signing of this lease.

III. LIMITATION OF USE

Tenant represents that it is a governmental agency or entity as that term is now used in the Nebraska Revised Statute §77-202 (2002); and that it is engaged in a health-related program, and that the premises leased herein will be used exclusively for charitable, educational, or scientific purposes.

IV. COMPENSATION

- A. Tenant agrees to pay Owner \$2,299.50 annual rental for the premises. Monthly rental payments of \$191.63 will be due the first day of each month during the lease term.

Additional rental charges under Article I (e) will be billed after the close of each month and will be payable with the following months base payment.

- B. Owner agrees to pay all charges for gas, electricity, water, sewer services, and other services provided to the building. Tenant shall pay all charges for its telephone service.
- C. Owner agrees to furnish, at its own cost, custodial service for Tenant's premises.
- D. Owner shall, during the term of this lease, make all repairs required to keep the lease space in reasonable, comfortable, and tenantable condition, except that any damage done to the said leased space by the negligence, carelessness, misconduct, or fault of the Tenant or his agents, licensees or invitees shall be repaired by the Tenant at his own expense.

V. GENERAL CONVENANTS

Tenant covenants and agrees that during the term of this lease or any renewal thereof:

- A. To pay the rental payments when due and in the manner hereinbefore stated;
- B. To keep the premises in neat, clean and safe condition;
- C. That all liens and encumbrances attached to the premises by virtue of any act or omission of, Tenant shall, at the expiration date of the term of this lease, be paid, released, and satisfied in full;
- D. To comply with all applicable laws, ordinances, and recorded restrictive covenants pertaining to the premises;
- E. To permit Owner's agents to enter the premises at reasonable hours for the purpose of inspecting same and pursuant to reasonable notice;
- F. At the termination of this lease, to quit and surrender peaceable possession of the premises, including all improvements, structures, and fixtures forming a part of said structures, in good and clean condition to the Owner;
- G. To not hold over after the term hereof, and no hold over shall work a renewal of this lease, but Tenant will merely be a Tenant at will of Owner;
- H. Tenant shall not assign or sublet the premises without the prior written approval of Owner;

- I. To relocate within the building in a comparable space in the event the area designated in this lease can be leased as a part of greater portion. Owner will assume all reasonable expenses of relocation within the building. Written notice shall be given thirty (30) days in advance of the effective date of the approved relocation.

VII. INSURANCE AND INDEMNIFICATION

- A. To the fullest extent permitted by law, the Tenant shall indemnify, defend and Hold Harmless the Owner, its officers, agents, and employees for and against all claims damage, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from the use of the Premises by the Tenant that results in any claim for damage whatsoever, including without limitation, any bodily injury, sickness, disease, death or any injury to or destruction of tangible or intangible property, including any loss of use resulting therefrom and that are caused in whole or in part by the intentional or negligent act or omission of the Tenant or anyone directly or indirectly employed by the Tenant or anyone for whose acts any of them may be liable. This section shall not require the Tenant to indemnify or Hold Harmless the Owner for any losses, claims, damages and expenses arising out of or resulting from the negligence of the Owner.

Similarly, to the fullest extent permitted by law, the Owner shall indemnify, defend and Hold Harmless the Tenant, its officers, agents, and employees from and against all claims, damage, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from the use of the Premises by the Tenant that results in any claim for damage whatsoever, including without destruction of tangible or intangible property, including any loss of use resulting therefrom and that are caused in whole or in part by the intentional or negligent act or omission of the Tenant or anyone directly or indirectly employed by the Tenant or anyone for whose acts any of them may be liable. This section shall not require the Owner to indemnify or Hold Harmless the Tenant for any losses, claims, damages and expenses arising out of or resulting from the negligence of the Tenant.

- B. The owner acknowledges that the Tenant, the City of Lincoln, a political subdivision in the State of Nebraska, is self insured for general liability and workers compensation.
- C. Each party releases the other from any claim for loss or damage to property, which is insured, to the extent of any recovery collectable under any insurance policy, and this waiver shall apply if not prohibited by the insurance policy providing the coverage.

VII. TERMINATION

- A. The Tenant has the right to terminate this Agreement for any reason for the Tenant's own convenience. If the Tenant terminates this Agreement for convenience, the Tenant shall provide a written notice of the same to the Owner, and this Agreement shall terminate without penalty or expense to the Tenant.
- B. Either party has the right to terminate this Agreement if the other party fails to perform as required in this Agreement. Termination rights under this section may be exercised only after the non-breaching party notifies the breaching party of the failure to perform in writing upon giving the other party thirty (30) days written notice.

In the event Tenant fails to pay any rental payment when due, or in the event Tenant fails to correct or remedy any other matter it had covenanted or agreed to perform within thirty (30) days

after receiving notice of such breach of condition, or in event Tenant is adjudged a bankrupt or becomes insolvent, this Agreement shall, at the option of the Owner, automatically terminate, and Owner shall be entitled to forthwith enter upon and take possession of the premises, and Tenant covenants and agrees to give Owner peaceable possession thereof, and Owner shall be entitled to all damages sustained by Owner including reasonable attorney fees and all other legal and equitable remedies against Tenant by virtue of said breach of conditions. No acceptance of any rental payment after the term of this Agreement shall work as a renewal.

- C. If the premises are damaged by fire or other casualty such that the premises are made unfit for occupancy and the damage has not been caused by the negligence of the Tenant, its employees, or invitees, said lease shall immediately terminate. If the damage is not a permanent nature, the Owner shall be responsible for repairing the same in a timely manner at the Owner's expense and the rental payment shall be suspended until said premises have been put in proper condition for occupancy.
- D. The Tenant may terminate this Agreement in whole or in part when funding is not lawfully available for expenditure or when sources of funding are terminated, suspended, reduced, released, or otherwise not forthcoming through no fault of the Tenant. In the event of unavailability of funds to pay any amounts due under this Agreement, the Tenant shall immediately notify the Owner, and this Agreement shall terminate without penalty or expense to the Tenant.
- E. Tenant shall pay rent only to the time of termination. The portion of any advance lease payment which is attributed to the period of time after this Agreement has been terminated in the above manner shall be refunded to the Tenant by the Owner.

VIII. TAXES

Owner and Tenant make this agreement with the understanding that under current law, the Owner, because of its use and the future use of the Tenant of the property as a governmental agency qualifies for an exemption from real estate taxes, assessments, and other governmental charges, general, special, ordinary, or extraordinary (hereinafter collectively called "taxes"). Owner agrees to use its best efforts to take the benefit of the provisions of any statute or ordinance now or hereafter enacted permitting the exemption of said property from taxes. Tenant agrees that it will exclusively use the property leased from the Owner for its WIC Program. In the event that Owner is unable to qualify for an exemption for the portion of taxes levied or assessed against said property leased by the Tenant because of the activity conducted on said property by the Tenant, Tenant agrees to pay Owner as additional rent said amount assessed against the property, amortized over three (3) monthly rental payments.

The Tenant reserves the right to contest the amount or validity of any valuation for said taxes by appropriate legal proceedings, either in the name of the Tenant or in the name of the Owner, or in the name of both. In the event of any such request, the Tenant shall reimburse the Owner for its cost or expenses in connection with any such contest or proceeding and execute all documents or pleadings required for such purposes, provided that the Owner shall reasonably be satisfied that the facts and data set forth in such documents or pleadings are accurate. If the Owner receives any refund, the Owner shall promptly rebate said amount to the Tenant.

Owner, to be eligible for rental adjustment under this clause, must notify Tenant within two weeks of the receipt by it of notice, that a tax has been assessed. Failure to give notice on a timely basis will constitute a waiver by the Owner of its right to an adjustment.

The Tenant shall not pay as part of the adjustment any fine, penalty, interest or cost added thereto for nonpayment or for delay in payment beyond any discount period.

IX. NEBRASKA LAW

This Agreement shall be governed and interpreted by the Laws of the State of Nebraska without reference to the principles of conflicts of law.

X. INTEGRATION, AMENDMENTS, ASSIGNMENT

This Agreement represents the entire agreement between the parties and all prior negotiations and representations are hereby expressly excluded from this Agreement. This Agreement may be amended only by written agreement of both parties. This Agreement may not be assigned without the prior written consent of the other party.

XI. SEVERABILITY AND SAVINGS CLAUSE

Each section and each subdivision of a section of this Agreement is hereby declared to be independent of every other section or subdivision of a section so far as inducement for the acceptance of this Agreement and invalidity of any section or subdivision of a section of this Agreement shall not invalidate any other section or subdivision of a section thereof.

XII. CAPACITY

The undersigned persons representing Owner and Tenant do hereby agree and represent that he or she are legally capable to sign this Agreement and to lawfully bind Owner and Tenant to this Agreement

LINCOLN MEDICAL EDUCATION
PARTNERSHIP

By: _____

Title: _____

CITY OF LINCOLN on behalf of LINCOLN-
LANCASTER COUNTY HEALTH
DEPARTMENT

By: _____

Title: Mayor, City of Lincoln

Execution date this _____ day of _____, 2004